



DRAFT LEITRIM COUNTY DEVELOPMENT PLAN 2023 – 2029 – APPENDIX V  
PART B – HOUSING STRATEGY MODELLING AND HOUSING NEEDS DEMAND  
ASSESSMENT



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**Leitrim County Council**



**Housing Strategy Modelling  
and Housing Need Demand  
Assessment  
for  
the Draft Leitrim County  
Development Plan 2022-  
2028**

**Report for Leitrim County Council**

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## TABLE OF CONTENTS

<b>1</b>	<b>INTRODUCTION .....</b>	<b>1</b>
1.1	Background.....	1
1.2	Methodology .....	1
1.3	Structure of Report .....	2
<b>2</b>	<b>HOUSING DEMAND ANALYSIS.....</b>	<b>3</b>
2.1	Introduction .....	3
2.2	Demographic Profile.....	3
2.3	Housing Profile and Growth .....	7
2.4	Population Forecasts.....	12
2.5	Housing Targets and Household Size .....	13
2.6	Economic Growth.....	15
2.7	Economic and Demographic Growth in Leitrim .....	16
<b>3</b>	<b>HOUSING NEEDS.....</b>	<b>17</b>
3.1	Introduction .....	17
3.2	Housing Market and Prices .....	17
3.3	Income Distribution.....	23
3.4	Mortgage Capacity .....	24
3.5	Affordable House Prices .....	30
3.6	Projected Need for Owner-Occupied Housing.....	30
3.7	Projected Need for Private Rental .....	1
3.8	Projected Need for Social Housing.....	2
3.9	Rural and Urban Housing .....	3
3.10	Tenure .....	3
3.11	Household Composition.....	3



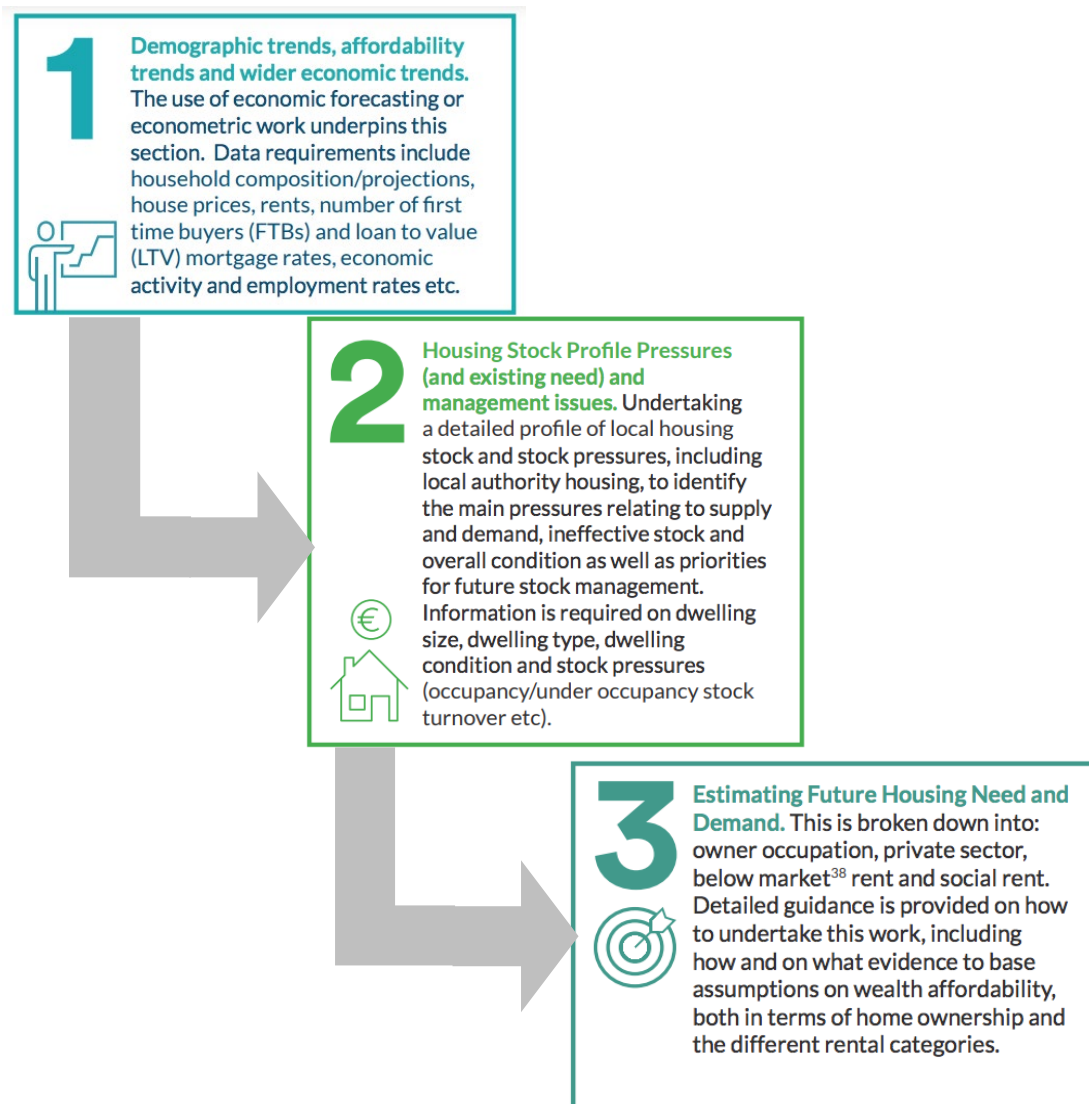
# 1 Introduction

## 1.1 Background

MacCabe Durney Barnes has been commissioned by Leitrim County Council to undertake statistical modelling to assist in the preparation of the Leitrim Housing Strategy required under Part V of the Planning and Development Act 2000 (as amended) and applicable provisions in the Housing (Miscellaneous Provision) Act, 2009 and the Urban Regeneration and Housing Act 2015. National Policy Objective 37 of the *National Planning Framework* (NPF) states that *A Housing Need Demand Assessment (HNDA) is to be undertaken for each Local Authority Area in order to correlate and accurately align future housing requirements*.

## 1.2 Methodology

The steps of a HNDA are set out in the NPF and are illustrated below.



To date, formal guidance on the preparation of a HNDA has not been issued. The methodology adopted in this assessment is guided by the provisions of *A Model Housing Strategy and Step-by-step Guide to Part V of the Planning and Development Act, 2000 Step-by-Step Guide to Preparation of a Part V Housing Strategy*. It is an adapted methodology taking into account the *Housing Supply Target Methodology for Development Planning – Guidelines for Planning Authorities (December 2020)*, recent changes in legislation and the requirements of the NPF.

### 1.3 Structure of Report

The structure of the report is as follows:

- **Introduction** – This section providing a background to the report.
- **Housing Demand Analysis** – Taking account of demographic, housing and economic factors.
- **Housing Needs Assessment** – Setting out the requirements for market housing, social housing, private rental, rural housing, tenure and household size composition.



## 2 Housing Demand Analysis

### 2.1 Introduction

The broad demand for housing is driven by the following factors:

- Population profile and growth
- Housing profile and growth
- Economic context and growth

These factors, in turn, underpin the population and housing targets defined in the NPF, the *Housing Supply Target Methodology for Development Planning – Guidelines for Planning Authorities* (DHLGH, December 2020) and the associated *Regional Demographics and Structural Housing Demand at a County Level* (ESRI, December 2020). These are consistent with the NPF projections and the *Regional and Spatial Economic Strategy (RSES) 2020-2030 for the Northern and Western Regional Assembly*. This section provides the basis for the calculation to housing needs for the county.

### 2.2 Demographic Profile

#### 2.2.1 County Population Trends

At the last census of population in 2016, 32,044 people were resident in County Leitrim, constituting less than 1% of the State’s population. This represents an increase of 0.77 % in the county population between 2016 and 2011, compared to a 3.8% increase nationally over the same period. In the decade to 2016 the county population rose by 11%.

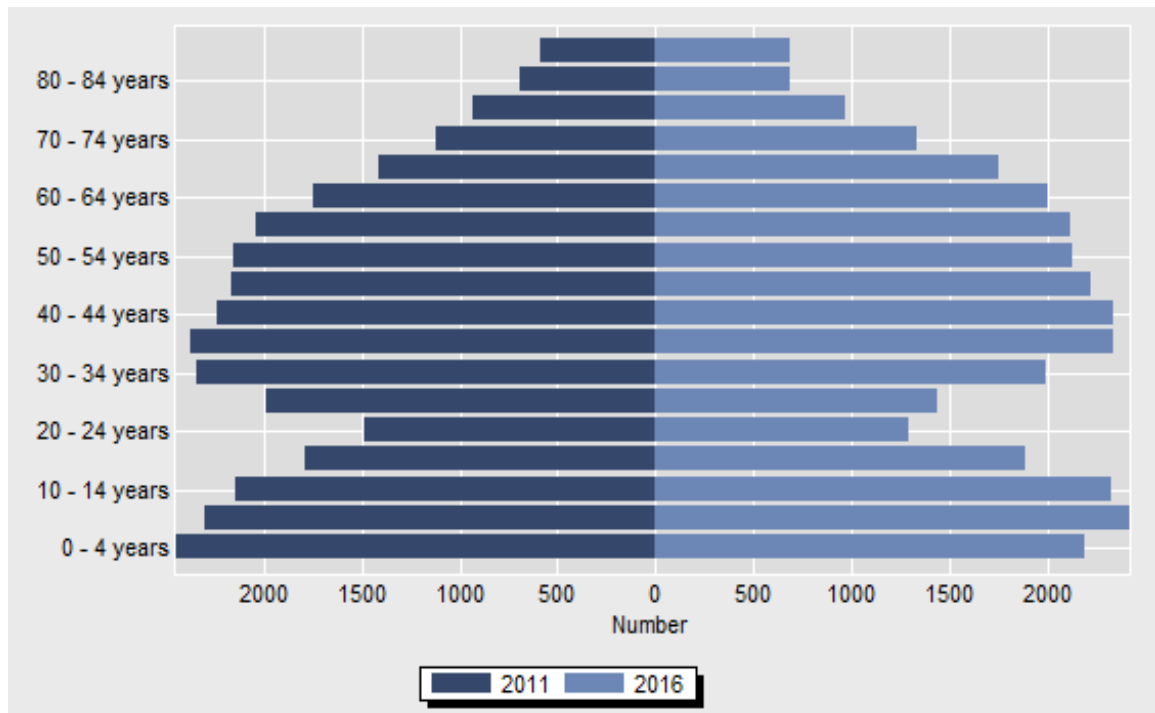
**Table 1: Population Distribution and Change between 2006 and 2016**

	2006	2011	2016	% Change 2006- 2011	% Change 2011- 2016	% Change 2006- 2016
Leitrim County	28,950	31,798	32,044	9.8%	0.7%	11.0%
State	4,239,848	4,588,252	4,761,865	8.0%	4.0%	12.0%

Source: CSO

Figure 1 below summarises the population by age category and changes between 2011 and 2016. In 2016, 27% of county population were aged (0-19) and this is similar to the state as a whole. Notably however in 2016, 17% of the county were aged 65 years and above compared to 13% in this age category nationally. The numbers of children 0-4 age group fell by 11% between 2011 and 2016 but the numbers of children aged from 5-19 increased by 20% in the same period. As with the State, Leitrim’s population is getting older, the population aged from 20-39 fell by 14% in the five years to 2016 whilst the age groups over 65 grew by 15% in the same period.

**Figure 1: Leitrim Population 2011 and 2016 by Age Group**



Source: CSO

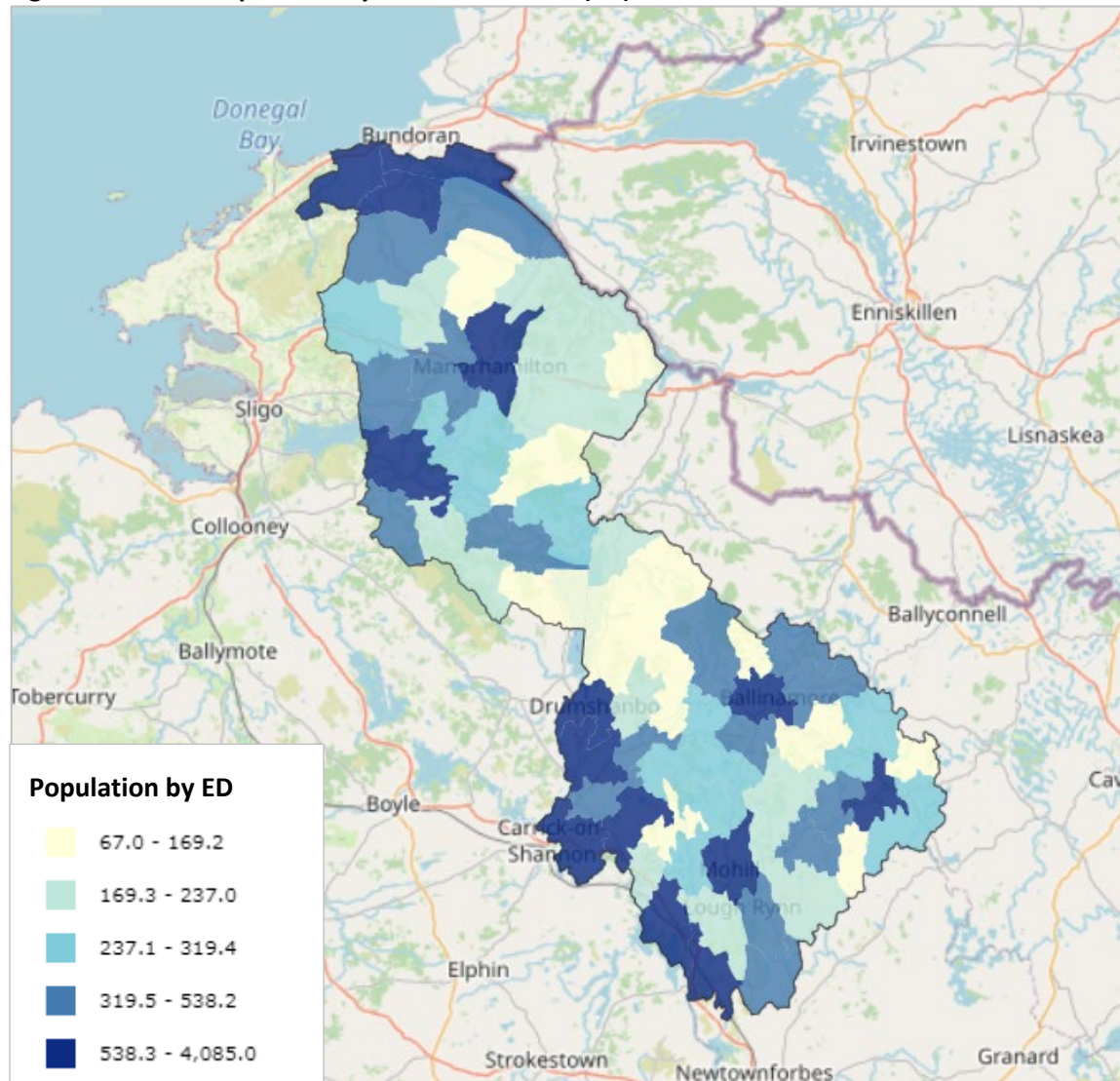
### 2.2.2 Population Distribution

#### County Population Distribution

The largest centres of population are in the north and south of the county and in the principal towns of Carrick-on-Shannon and Manorhamilton. The central part of the county accommodates the lowest population number and density. Figure 2 below illustrates the distribution.

By 2016 the population density of the State had increased to 70 persons per km<sup>2</sup>, up from 67 persons per km<sup>2</sup> in 2011 and 62 persons per km<sup>2</sup> recorded in 2006. In comparison, population density in Leitrim was just over 20 persons per km<sup>2</sup> in 2016.

**Figure 2: Leitrim Population by Electoral District (ED) in 2016**



Source: CSO, AIRO Mapping

*Rural and Urban Population*

Leitrim is predominantly a rural county. In 2016 some 89% of the county population was recorded as living in a rural area and 11% in an urban area. This contrasts with the urban / rural split of the population in the State where some 63% of the population lived in an urban area and 37% living in rural areas. See Table 2 below.

**Table 2: Population in Urban and Rural Areas in Leitrim and State in 2016**

	Leitrim	State
% Percentage of population in Aggregate Town Area	10.7%	62.7%
% Percentage of population in Aggregate Rural Area	89.3%	37.3%

Source: CSO

### Settlement Size

Carrick-on-Shannon, the largest town in the county with 4,062, grew by 2% in the five years to 2016. The County Town is followed by Manorhamilton at 1,466 in 2016, which was an increase of 9.7% since 2011. The other main settlements are Kinlough, Drumshanbo, and Dromahair, which grew by 1.4%, 5.3% and 8% respectively and Mohill which population decreased in during the intercensal period.

**Table 3: Leitrim Population by Settlement in 2011 and 2016**

Settlement	2011	2016	% Change 2011-2016
Ballinamore	889	914	2.8%
Carrick on Shannon	3,980*	4,062*	2.0%
Manorhamilton	1,336	1,466	9.7%
Drumshanbo	857	902	5.3%
Mohill	928	855	-7.9%
Carrigallen	384	387	0.8%
Dromahair	748	808	8.0%
Drumkeeran	252	220	-12.7%
Kinlough	1,018	1,032	1.4%
Leitrim	485	594	22.5%
Tullaghan	228	253	11.0%

Source: CSO

\*Figures for Carrick-on-Shannon are for entire town (including part in County Roscommon)

### 2.2.3 Household Structure and Size

There were 12,452 private households recorded in 2016 census, compared to 12,308 recorded in 2011. The average household size was 2.55 (taking into account occupied dwellings) which is lower than the national rate of 2.75. Table 5 below details the sizes of households. Approximately 30% of households are 1 person households, compared to 23% for the State.

**Table 4: Leitrim Private Household Cohorts in 2011 and 2016**

Private Household Cohort	2011	2016	% Change 2011-2016	% Private Households 2016
1 person	3,755	3,797	1.1%	30%
2 persons	3,505	3,582	2.2%	29%
3 persons	1,790	1,865	4.2%	15%
4 persons	1,722	1,669	-3.1%	13%
5 + persons	1,536	1,539	0.2%	12%
<b>Total</b>	<b>12,308</b>	<b>12,452</b>	<b>1.2%</b>	<b>100%</b>

Source: CSO

The average household size in County Leitrim declined marginally from 2.58 in 2011 to 2.57 in the 2016.

## 2.3 Housing Profile and Growth

### 2.3.1 Housing Stock

Table 6 shows that there were just over 18,000 permanent dwellings in 2016 of which 12,486 (69%) were recorded as occupied. This compares to an average of 85% occupancy of permanent dwellings at State level. The percentage of occupied houses in the county was 67% in 2011, slightly increasing to 69% in 2016. A total of 9% of units were unoccupied holiday homes, compared to a State average of 3%. There were 20% other vacant dwellings, which compares to 9% for the State. This indicates a significant underutilised housing stock in the county.

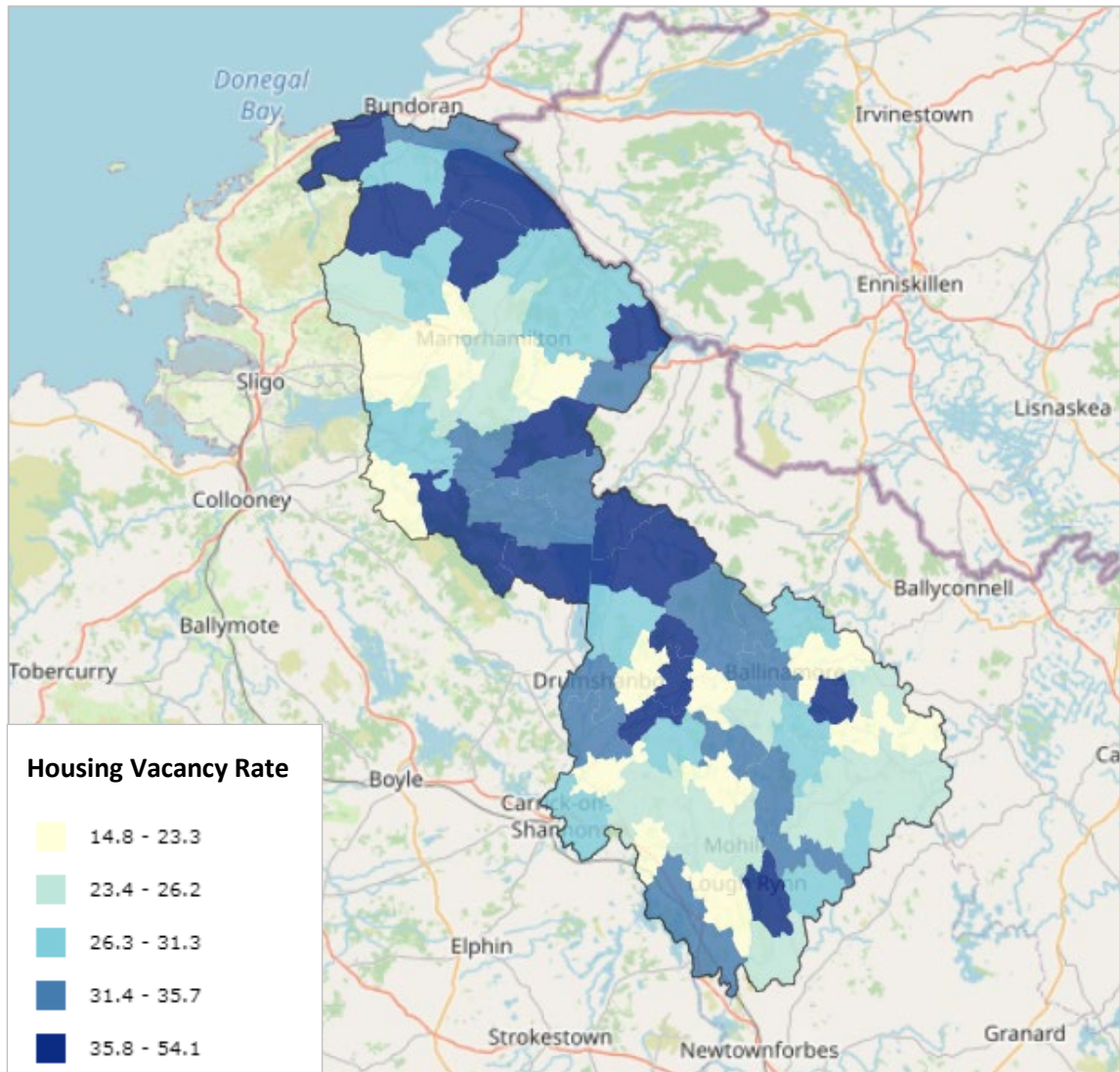
**Table 5: Leitrim Housing Occupancy in 2016**

Occupancy Status	Total permanent dwellings	Occupied	Temporarily absent	Unoccupied holiday homes	Other vacant dwellings
Permanent Dwellings	18,051	12,486	339	1,637	3,589
% of dwelling	100%	69%	2%	9%	20%

Source: CSO

The distribution of housing vacancy rates is illustrated in Figure 3 below. Highest rates are in the centre and north of the county.

**Figure 3: Leitrim Vacancy Rates in 2016**



Source: CSO, AIRO Mapping

### 2.3.2 Housing Tenure

Table 7 indicates that owner occupied households is the dominant housing tenure at 73% in 2016<sup>1</sup>. 14% of private households were living in privately rented houses and 8% in social housing.

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<sup>1</sup> Under the 2016 Census, tenure is established with reference to ‘permanent private households’ while household size and accommodation type is defined with reference to ‘private households’.

**Table 6: Leitrim Housing Tenure in 2016**

	Permanent Private Households 2016	% of Households
Owner Occupied	9,046	73%
Rented (Privately)	1,773	14%
Social Housing	1,003	8%
Other	582	5%
<b>Total</b>	<b>12,404</b>	<b>100%</b>

Source: CSO

Further detail of the breakdown of the type of tenure is provided in Table 8. The proportional breakdown of housing tenures is included for the county and the three municipal districts (MD) of Carrick-on-Shannon, Manorhamilton and Ballinamore. In the county, the majority of owner-occupied households, 45%, were without a mortgage, while only 28% had a mortgage.

Carrick-on-Shannon MD has the lowest owner-occupier tenure with no mortgage at 41% and the highest level of private house rentals at 21%. This compares to 14% at the county level. Ballinamore MD had the highest level of owner-occupied houses without a mortgage (51%) and the lowest level of privately rented houses (10%).

**Table 7: Leitrim Housing Tenure – Occupancy type by Municipal District in 2016**

	Owner occupied with mortgage	Owner occupied no mortgage	Rented from Private Landlord	Rented from LA	Rented from Voluntary Body	Occupied free of rent	Not stated	Total
<b>Leitrim</b>								
No. of Permanent Private Households	3,476	5,570	1,773	933	70	275	307	12,404
% of Households	28%	45%	14%	8%	1%	2%	2%	100%
<b>Manorhamilton</b>								
No. of Permanent Private Households	1,269	1,848	489	337	42	104	133	4,222
% of Households	30%	44%	12%	8%	1%	2%	3%	10,723
<b>Carrick-on-Shannon</b>								
No. of Permanent Private Households	1,179	1,755	890	326	8	83	87	4,328
% of Households	27%	41%	21%	8%	0%	2%	2%	100%
<b>Ballinamore</b>								
No. of Permanent Private Households	1,028	1,967	394	270	20	88	87	3,854
% of Households	27%	51%	10%	7%	1%	2%	2%	100%

Source: CSO

Table 9 shows the accommodation type in the county. In 2016, over 95% of the county housing stock consisted of houses or bungalows in 2016 and only 4% of the households were living in an apartment or flat.

**Table 8: Leitrim Private Households by Accommodation Type in 2016**

Accommodation Type	Number of Private Households	% of Households
House/Bungalow	11,774	94.6%
Flat/Apartment	489	3.9%
Caravan/Mobile Home	48	0.4%
Not stated	141	1.1%
<b>Total</b>	<b>12,452</b>	<b>100%</b>

Source: CSO

### 2.3.3 Unfinished Estates

Following the financial crisis, there was a legacy of unfinished estates requiring resolution throughout the State. The Unfinished Housing Estates Survey was undertaken annually between 2010 and 2017. There was steady progress in resolving and completing development throughout this period. A further survey was undertaken in October 2020 and the results of the 2017 and 2020 surveys are shown in Table 10 below.

**Table 9: Leitrim Unfinished Estates Survey 2017, 2020**

Year	P.P Total All Units	Occupied Houses	Vacant Houses	Under Construction	Not Started	Permission Expired
2017	599	186	44	226	39	104
2020	599	192	45	204	39	104

Source: DHPLG, Leitrim County Council

### 2.3.4 Permissions Granted

All Areas

The number of residential units permitted in Leitrim was extracted from the CSO data for 2018, 2019 and 2020. A significant increase in the number of units granted between 2018 and 2020 is noted, rising from 33 to 126. An average of 85 units per annum were granted permission over the last three years. 37% were one-off houses, while 48% were houses and 11% multi-development houses. Only 4% were private flats.



**Table 10: Leitrim Residential Permissions 2018-2020**

	2018	2019	2020	Total	% of Total
Houses	16	46	59	121	48%
Multi-Development Houses	0	10	17	27	11%
One-Off Houses	16	36	42	94	37%
Private Flats / Apartments	1	2	8	11	4%
<b>Total</b>	<b>33</b>	<b>94</b>	<b>126</b>	<b>253</b>	<b>100%</b>

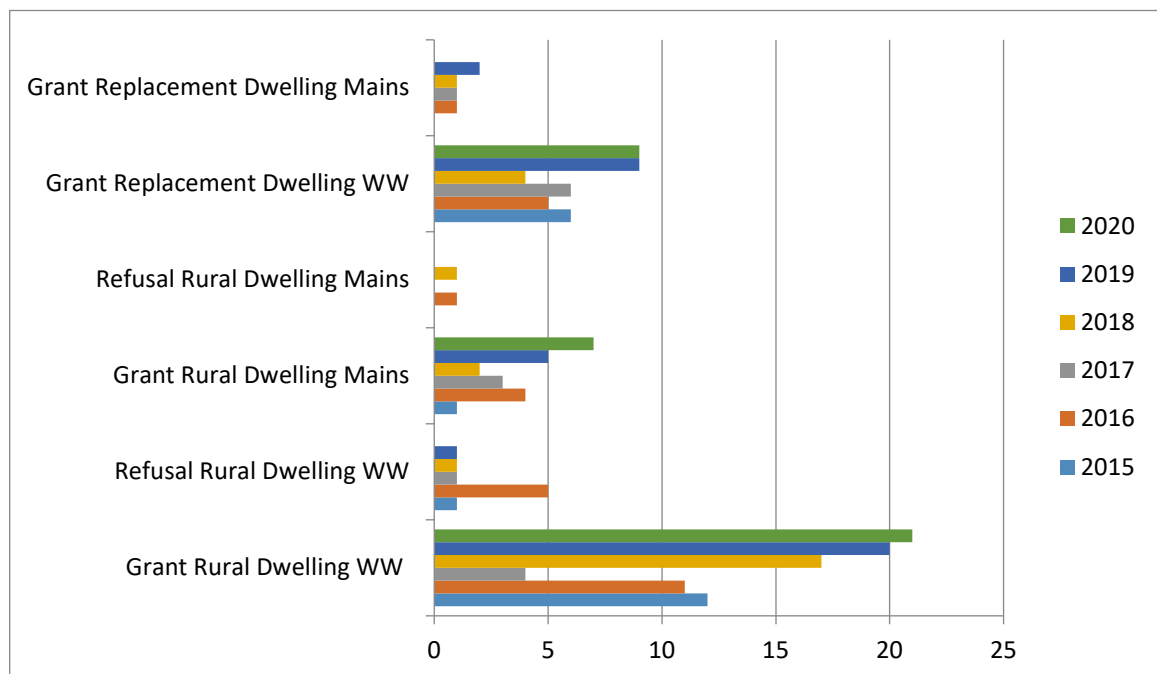
Source: CSO

Further detailed analysis of the breakdown of decisions on rural housing is provided below.

### Rural Housing

The number of dwellings granted permission has varied over the last five years. Figure 4 below illustrates the number of permissions granted and refused over the period 2015-2020. In relation to new houses, a total of 85 units were granted permission with wastewater treatment and 22 on mains supply, yielding a total of 107 units. This is an average of 18 new dwellings per annum. A further 43 replacement dwellings were granted permission during this period, 4 of which were connected to main sewerage and 39 with wastewater treatment systems. This was an average of 7 per annum.

**Figure 4: Leitrim Planning Applications Granted and Refused 2015-2020**



Source: Leitrim County Council

### 2.3.5 Completions

The CSO also provides data on housing completions for single dwellings, multiple scheme houses and apartment. The completions for Leitrim from 2017 to 2020 are detailed below in Table 11. The average dwelling completion rate was 54.5 per annum over this period. Completions have

decreased from 78 in 2017 to 37 in 2020. This low completion rate in 2020 can, in part be explained by the impact of COVID-19. Single house accounted for 68% of output during this period, while scheme houses accounted for 23% and apartments 9%.

**Table 11: Leitrim Completions by Dwelling Type 2017-2020**

Dwelling Type	2017	2018	2019	2020	Average 2017-2020	% of Total
Single House	43	38	31	36	37.0	68%
Scheme House	26	23	1	1	12.8	23%
Apartment	9	2	8	0	4.8	9%
<b>Total</b>	<b>78</b>	<b>63</b>	<b>40</b>	<b>37</b>	<b>54.5</b>	<b>100%</b>

Source: CSO

## 2.4 Population Forecasts

The Planning and Development Act 2000, as amended, requires that planning authorities adopt a core strategy that is consistent with the RSES targets and settlement hierarchy. The *Implementation Roadmap for the NPF* in July 2018 sets the population target for Leitrim to 2031. The *Housing Supply Target Methodology for Development Planning – Guidelines for Planning Authorities* were issued in December 2020 and are intended to assist in providing the required consistent and coherent approach to be taken by planning authorities in incorporating national and regional population and housing projections into their statutory functions. These Guidelines are accompanied by *Regional Demographic and Structural Housing Demand at County Level* (ESRI, 2020) which set out population and housing projections for counties in four different scenarios:

- **Baseline** – projecting a ‘business as usual’ scenario which is based on current trends and medium-term projections for the Irish economy;
- **NPF 50:50 City** – consistent with the NPF strategy;
- **High Migration** – incorporating assumptions around high international migration flows into Ireland based on higher economic growth than the baseline;
- **Low Migration** – incorporating assumptions around lower international migration flows into Ireland based on lower economic growth than the baseline.

**Table 12: Leitrim NPF Population Target/ESRI Population Forecast (baseline)**

	2016	2021	2026	2031
<b>NPF</b>	32,000	33,500-33,750	35,000-35,500	36,000 – 37,000
<b>ESRI</b>	31,900	33,300	34,300	35,200

Source: NPF Roadmap, ESRI

The ESRI modelled baseline to 2031 population for County Leitrim in 2026 is around 97% of that projected in the 2018 Roadmap document, and the ESRI NPF scenario population for the county in 2026 is around 93% of that projected in the 2018 Roadmap.

## 2.5 Housing Targets and Household Size

The Housing Supply Target Guidelines indicate that the identified NPF 50:50 City scenario is the recommended housing demand scenario to be used by planning authorities in their planning functions. The housing targets for the NPF 50:50 City scenario is detailed in Appendix I of the Guidelines. It indicates that a target of an additional **1,677** new households between 2017 and 2031 with a calculated housing demand of **1,483** additional households between 2020 and 2031.

The housing target must be aligned for the period of the development plan, which is Q3 2022 to Q2 2028. The Guidelines also indicate that there is a potential adjustment 1 to end 2026 portion of plan period to facilitate convergence to NPF strategy (where justified). This is established with reference to the mid-point between ESRI NPF and Baseline scenarios to 2026 and should be justified with reference to:

- i) Consistency with the National Planning Framework and relevant Regional Spatial and Economic Strategy in terms of the settlement hierarchy, i.e. located in cities, regional growth centres, key towns, and other sustainable urban centres;
- ii) Consistency with the NPF National Strategy outcomes to achieve compact growth, sustainable mobility and transition to a low carbon society;
- iii) Consistency with the relevant metropolitan area transport strategy, where applicable, and capable of delivering public and active transport mode choice upon occupation;
- iv) Capability of being serviced by physical and social infrastructure such as water services, schools and public amenities and recreational facilities and energy and communications networks within the plan period.

A justification is provided in the accompanying core strategy. The ‘convergence’ scenario on which the housing supply target calculation for the 2022-28 development plan period is based, is midway between the ESRI NPF and baseline scenarios, resulting in 95% of the projected Roadmap figure. The basis for this calculation is given in Table 13. This will require a quadrupling of annual housing output in the county from current levels.

**Table 13: Leitrim Housing Targets Q3 2022 to Q3 2028**

		Annual Average	Total Households
A	ESRI NPF scenario projected new household demand 2017 to Q2 2028	104 (1,195/11.5)	1,195 <sup>1</sup>
B	Actual Housing Supply 2017 to Q2 2022	50 (274/5.5)	274 <sup>2</sup>
C	Homeless households and estimated unmet demand as at Census 2016	0	0 <sup>3</sup>
D	Plan Housing Demand Q3 2022 to Q2 2028 (A-B+C)	154 (921/6)	921 <sup>4</sup>

		Annual Average	Total Households
E	Potential adjustment 1 to end of 2026 portion of plan period to facilitate convergence to NPF strategy (where justified)	Mid-point between ESRI NPF and baseline scenarios to 2026 in lieu of A above	Adjusted Total Demand
E1	ESRI Baseline scenario projected new household demand 2017 to Q4 2026	159 (1,592/10)	1,592
E2	ESRI Baseline scenario projected new household demand to Q2 2028	176	176
E3	Mid-point between A-E3 (ESRI NPF and baseline scenarios) to Q4 2026	131 (1,306/10)	1,306 (1,195-176+1,592)/2
<b>E4</b>	<b>Adjusted Total Demand calculation based on E2+E3 in lieu of A above</b>	<b>201</b> (1,208/6)	<b>1,208</b> (176 <sup>E2</sup> +1,306 <sup>E3</sup> -274 <sup>B</sup> )+0 <sup>C</sup>

Notes

1. From ESRI Research
2. Estimated future delivery (projected pro-rata CSO data available year to date – i.e. Q4 2020 to Q2 2022 = 54. Future delivery takes into account the extant permissions for 107 units (October 2020)
3. From Census (Overcrowding and Concealed Households) and Homelessness (DHPLG)
4. Leitrim CDP Target – NPF Scenario

The average household size in County Leitrim was 2.57 in the 2016 Census. The ESRI projections for the population and number of households indicate that the average number of people per household will decline from 2.81 persons per household in 2016 to 2.43 in 2040. This Strategy assumes an average household size of **2.46** by 2028.

The housing target is apportioned over the period of the plan. Table 14 indicates the target number of units per annum illustrating how they comply with the NPF targets, as adjusted in accordance with the Housing Supply Target Guidelines.

**Table 14: Leitrim Housing Unit Numbers 2016-2028**

Year Ending Q2	DPHLG/ESRI NPF Projected Households	Total Housing Units
2016		12,452
2017	39	12,491
2018	72	12,563
2019	53	12,616
2020	65	12,681
2021	15	12,696
2022	30	12,726
<b>2023</b>	<b>181</b>	<b>12,907</b>
<b>2024</b>	<b>202</b>	<b>13,108</b>

Year Ending Q2	DPHLG/ESRI NPF Projected Households	Total Housing Units
2025	209	13,317
2026	200	13,517
2027	206	13,724
2028	210	13,934
2016 to Q2 2022	274	
Q3 2022 to Q2 2028 (Plan Period)	1,208	
2016 to Q2 2028	1,482	

Source: Leitrim County Council

The housing targets for Leitrim, which are contained in the Housing Target Guidelines will require a significant increase in the pace and number of units delivered over the Plan period. This will necessitate the zoning of an appropriate quantum of land, active land management, investment in infrastructure and complementary policies to retain employment and other services.

## 2.6 Economic Growth

The Department of Finance *Budget 2021 Fiscal Outlook* (Autumn 2020) and the most recent Central Bank *Quarterly Bulletin Q1 2021* provides up-to-date information for 2019, estimates for 2020 and forecasts for 2021 to 2024 in relation to macro-economic factors. The economy has experienced robust growth in the last number of years but has been impacted by COVID-19 in 2020. Notwithstanding the global pandemic, the GDP growth rate was estimated to be 2.5% in 2020. This was the only positive growth rate in the EU, boosted by exports from multinational companies specialising in medical equipment, pharmaceuticals and computer services. Recent growth rates for Ireland and forecasts for the period up to 2022 are detailed in Table 15.

**Table 15: Growth and Forecasts 2019 to 2022**

Growth Indicator	2019	2020e	2021f	2022f
Gross Domestic Product %	5.6%	2.5%	3.8%	4.6%
Unemployment rate	5.0%	6.2%	9.3%	7.8%

Source: Central Bank (e- estimate, f – forecast)

The *EC Winter 2021 Economic Forecast* projects that the euro area economy will grow by 3.8% in both 2021 and 2022. In Ireland, the Central Bank highlights that the unwinding of the large stock of savings accumulated during the pandemic should support a strong recovery in consumption in 2022. Similarly, the reduction in uncertainty should allow investment to begin to recover next year. However, recovery may not be even across all sectors, as the crisis may have a lasting impact on some activities, including tourism and hospitality.

The new EU-UK Trade and Cooperation Agreement (TCA) has averted the threat of a no-deal WTO Brexit and means that the significant disruption to economic activity that would have accompanied such an outcome has been avoided.

This Strategy assumes that growth will be **3.1%** annually beyond 2022 based on the Department of Finance and Central Bank forecasts.

## 2.7 Economic and Demographic Growth in Leitrim

There are local factors which will impact upon the economic growth and development in Leitrim over the plan period. These may not be within the control of the Council and may be either of regional or national origin. These may include:

- Halt the decline in employment.
- Reverse unsustainable commuting and provision of employment opportunities for the resident population.
- Address any long-term cross border issues resulting from Brexit induced increase in rental and house prices in Dublin.
- Further foreign direct investments.

The Border Region has experienced the highest job loss rate during COVID-19 at 29%. In Leitrim there were 1,616 persons on live register and 2,716 on the 2,717 on the pandemic unemployment payment (PUP) at end of March 2021. Economic conditions remain uncertain at national and county level over the plan period, particularly in relation to tourism and hospitality sector. Notwithstanding this, forecasts are indicating a robust rebound in growth following the pandemic.

## 3 Housing Needs

### 3.1 Introduction

This section addresses the requirements of Part V of the Planning and Development Act, in addition to the outputs required for a HNDA under objective 37 of the NPF. It therefore considers the housing needs of the existing and future population in relation to **owner-occupied, privately rented** and **social housing support** (including social and affordable). In addition, there is a requirement to consider the needs for **rural single dwellings** and **urban housing**.

It involves the analysis of:

- housing market trends;
- incomes distribution; and
- interest rates and mortgages.

The most recent house price data was gathered from the Property Services Regulatory Authority (PSRA) and the Residential Tenancy Board (RTB).

The Strategy seeks to estimate the number of people who will not be able to afford their own accommodation using their own resources. The issue of affordability is considered as the “*measure of net income required to service a particular mortgage*” (Housing Policy Statement, 2011).

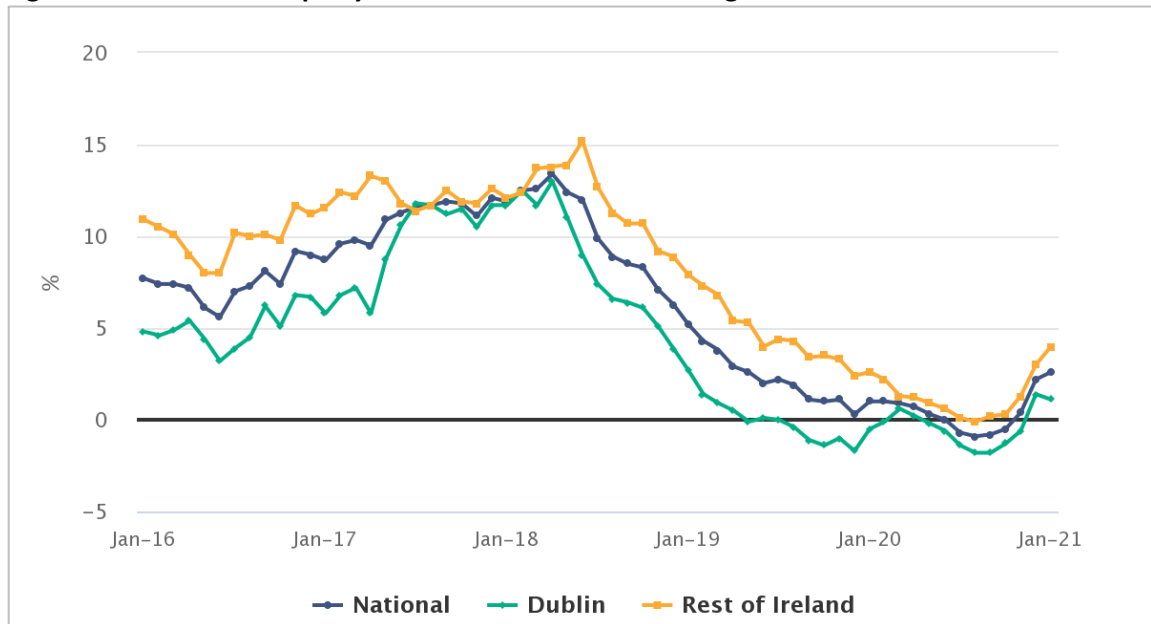
The methodology for both Part V calculations and the HNDA have been integrated so as to form one overall methodology. Central to the approach is whether households meet the affordability thresholds. This is taken as one who is in need of accommodation and whose income would not be adequate to meet the payments on a mortgage for the purchase of a house to meet his or her accommodation needs because the payments calculated over the course of a year would exceed 35 per cent of that person's annual income net of income tax and pay related social insurance.

### 3.2 Housing Market and Prices

#### 3.2.1 Market Overview

The CSO's Residential Property Price Index is illustrated in Figure 6 below. House prices nationally have returned to 2010 levels, but not pre-2007 levels. The index has shown a slower level of growth since January 2018, reflecting a low mortgage draw down during this period reflecting the impact of Central Bank's mortgage rules and issues around affordability. COVID-19 has also had an impact during 2020, but there is a resurgent market in last quarter of 2020 and the first quarter of 2021.

**Figure 5: Residential Property Price Index 12 month % change**



Source: CSO

### 3.2.2 Residential Prices

The Residential Property Price Register (RPPR) gathers data on all housing transactions completed since 2013. It is exclusive of the Value Added Tax which is applicable to new homes and includes transactions which are made by local authorities and other bodies such as Approved Housing Bodies (AHBs). In 2020, nationally, the mean price for a dwelling was €263,892. This price is calculated by the CSO using transactions filed with the Revenue. Existing dwellings accounted for 77.5% of transactions and new dwellings 22.5%. First-time buyers constitute 23.3% of all buyers, the prime market being former-owner occupiers at 43%. Non-occupiers constituted 12% of the national market, of which build-to-rent constitutes an element.

The median house price in Leitrim in 2020 was €110,000. The average price for a house was €119,301 in 2020 with an increase of 3% from the previous year. The average property prices for the Eircode’s of Ballinamore, Carrick-on-Shannon, Manorhamilton and the county, as a whole, can also be obtained from the Property Price Register. These are illustrated in Table 16.

**Table 16: Average House Prices Per Municipal District and County Leitrim**

Municipal District	2015	2016	2017	2018	2019	2020
Ballinamore	€89,225	€99,684	€98,507	€107,264	€123,248	€96,289
Carrick on Shannon	€88,283	€94,009	€116,327	€117,622	€121,136	€129,042
Manorhamilton	€67,539	€86,656	€64,618	€114,341	€101,457	€122,771
County	€90,038	€88,700	€100,985	€111,694	€116,087	€119,301

Source: PPR



### 3.2.3 Residential Sales Market

The CSO's Property Price Register provides data on transactions and sales in relation to new houses and second-hand properties. The database also allows for an examination of information by Eircode.

**Table 17: Leitrim Sales by Type 2015-2020**

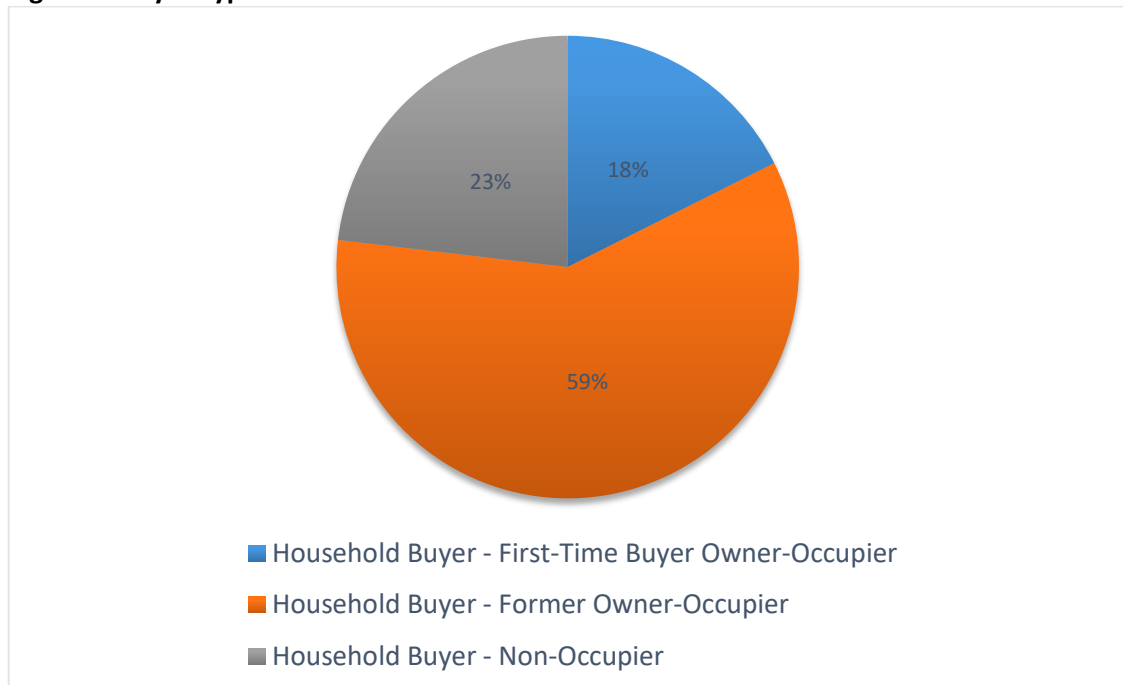
Leitrim	2015	2016	2017	2018	2019	2020	% Change 2015-2020
New	81	59	52	33	19	23	-72%
Existing	324	347	332	363	319	284	-12%
<b>Total</b>	<b>405</b>	<b>406</b>	<b>384</b>	<b>396</b>	<b>338</b>	<b>307</b>	<b>-24%</b>

Source: CSO

There has been a relatively consistent market in the sale of second-hand properties, in the range of 280 to 360 dwellings per annum. The sale of new dwellings has decreased each year since 2015, reflecting a lowering of multiple dwelling house completions. The low volume of properties sold in 2020 reflects the impact of COVID-19.

Buyers types are illustrated in Figure 5. First-time buyers account for 18%, movers for 59% and investors for 23% of the purchases in the year to March 2020 in Leitrim.

**Figure 6: Buyer Type in Leitrim Year to March 2020**



Source: CSO

### Property Type

The Property Price Register was also examined to determine the market for houses and apartments within the county. Table 18 below shows that Leitrim has a limited market for apartments with 27 sold in 2020, or 8% of the total number of units sold. The percentage is the same as for the Border Region as a whole.

**Table 18: Sales by Property Type in Leitrim**

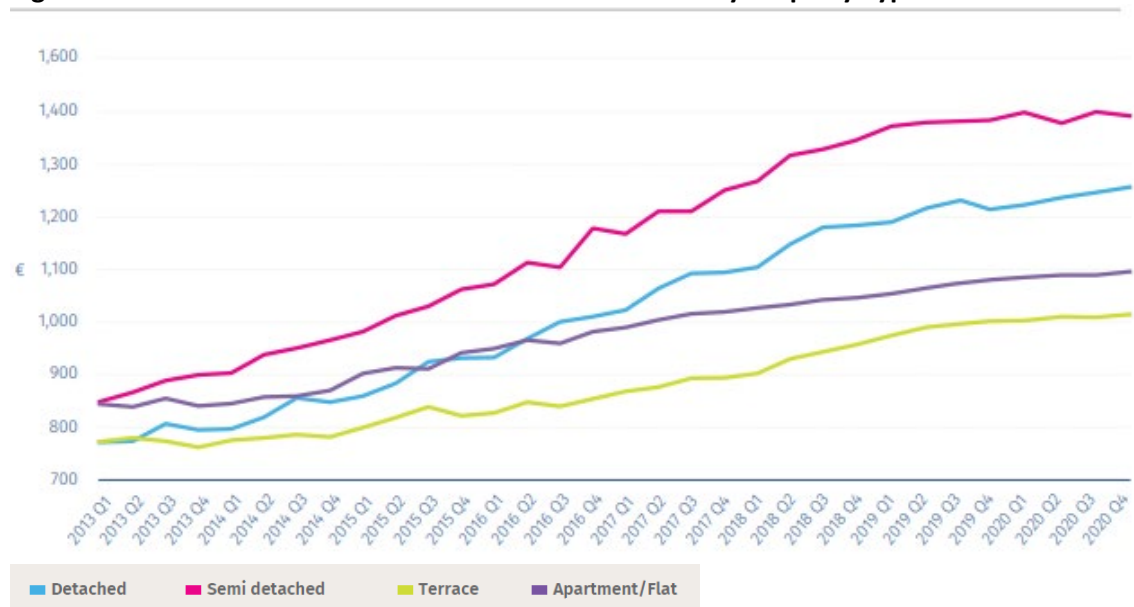
Leitrim	2015	2016	2017	2018	2019	2020	% Change 2015-2020
Apartment	26	47	53	50	30	27	4%
House	379	359	331	346	308	280	-26%
<b>Total</b>	<b>405</b>	<b>406</b>	<b>384</b>	<b>396</b>	<b>338</b>	<b>307</b>	<b>-24%</b>

Source: CSO

### 3.2.4 Rental Market

The Residential Tenancies Board (RTB) index illustrates that rents have steadily increased since the depths of the recession in 2013 for all property types. However, semi-detached houses showed the strongest growth during the 2013 to 2020 period. See Figure 7 below.

**Figure 7: RTB Rent Index for New and Renewal Tenancies by Property Type**



Source: RTB

The standardised rent at Q4 2020 was €1,256 nationally and €904 outside the Greater Dublin Area (GDA). This represented a year-on-year growth of 2.7% nationally and 3.4% outside the GDA. Leitrim had a standardised rent of **€626** at the end of 2020, which was the lowest rent in the country. This, however, represented an annual increase of 11.4%. Nationally, this was the fastest growing rent year-on-year. COVID-19 has not had a negative impact upon this upward trend and indeed in Leitrim may have been a contributing factor. Table 19 below provides an overview of rents between 2015 and 2020.

**Table 19: Leitrim Rental Rates for Different Property Sizes between 2015 and 2020**

Year	1 Bed	2 Bed	3 Bed	4 Bed
2015	€ 337	€ 397	€ 428	€ 503
2016	€ 363	€ 420	€ 454	€ 529
2017	€ 378	€ 449	€ 474	€ 571
2018	€ 399	€ 477	€ 503	€ 589
2019	€ 424	€ 503	€ 535	€ 588
2020	€ 438	€ 537	€ 561	€ 612

Source: RTB

An analysis of average rents is derived from the RTB average rent data set for different 1, 2, 3 and 4 -bed houses for Carrick on Shannon and Manorhamilton in 2020 is provided in Table 20. Rental volumes are low as reflected by the fact that there were no one or four bedroom units rented in Manorhamilton.

**Table 20: Rents in Carrick on Shannon and Manorhamilton 2020**

	1 Bed	2 Bed	3 Bed	4 Bed +
Carrick on Shannon	€ 478	€ 575	€ 598	€ 668
Manorhamilton	-	€ 470	€ 536	-

Source: RTB

### 3.2.5 House Price Distribution

The Step-by-Step Guide requires a determination of price bands and a projection of these bands for the period of the plan. Table 21 below provides the breakdown for the county.

Between 2015 and 2020, the percentage of units priced under €50,000 remained relatively static. However, following a review of those properties priced at under €50,000, it was concluded that generally these houses were not in a habitable condition and required significant investment. They were therefore discounted for the purposes of modelling. The most significant change occurred in the €150,000 to €250,000 band. Indicators point towards a more moderate increase in residential prices towards market stabilisation with a more sustained supply and prices continuing to rise but at a much slower pace. House prices grew by 2.7% in the year to Q3 2020. This Strategy assumes the **2019 housing price distribution** for the purpose of modelling.

Given the uncertainty which has historically prevailed in the Irish housing market, it is difficult to estimate or project what the likely future average house price for Leitrim. House price percentage increases can vary significantly given the low volume of transactions and the distorting effect a number of individual sales can have. The previous strategy predicted a period of market stability and moderate price increases. House prices in Leitrim have grown by 5% since 2015, reflecting the rebound after the financial crisis. Prices have stabilised in the last number of years and grew in the county by 2.7% in the year to Q3 2020. COVID-19 will have impacted on prices, but nationally it does not appear to have had a significant affect. For the purposes of this Strategy, an average house price of **€119,301** has been selected, representing the **average house price** in Q3 2020. The European Central Bank has a target of 2% inflation, but given historic trends, it has been estimated to increase by **3%** for 2021, **4%** over the 2022-2026 period, reducing to **3%** in 2027.

**Table 21: House Price Bands for Leitrim 2019-2028**

Year	% Increase	1st Band >75,000	2nd Band 75,001-100,000	2nd Band Upper Range	3rd Band 100,001-125,000	3rd Band Upper Range	4th Band 125,001-150,000	4th Band Upper Range	5th Band 150,001-175,000	5th Band Upper Range	6th Band 175,001-200,006	6th Band Upper Range	7th Band 200,001+
2019	Base	€75,000	€75,001	€100,000	€100,001	€125,000	€125,001	€150,000	€150,001	€175,000	€175,001	€200,000	€200,001
2020	2.7%	€77,025	€77,026	€102,700	€102,701	€128,375	€128,376	€154,050	€154,051	€179,725	€179,726	€205,400	€205,401
2021	3.0%	€79,336	€79,337	€105,781	€105,782	€132,226	€132,227	€158,672	€158,673	€185,117	€185,118	€211,562	€211,563
2022	4.0%	€82,509	€82,510	€110,012	€110,013	€137,515	€137,516	€165,018	€165,019	€192,521	€192,523	€220,024	€220,026
2023	4.0%	€85,810	€85,811	€114,413	€114,414	€143,016	€143,017	€171,619	€171,620	€200,222	€200,223	€228,825	€228,827
2024	4.0%	€89,242	€89,243	€118,989	€118,990	€148,737	€148,738	€178,484	€178,485	€208,231	€208,232	€237,978	€237,980
2025	4.0%	€92,812	€92,813	€123,749	€123,750	€154,686	€154,687	€185,623	€185,624	€216,560	€216,562	€247,498	€247,499
2026	4.0%	€96,524	€96,525	€128,699	€128,700	€160,873	€160,875	€193,048	€193,049	€225,223	€225,224	€257,398	€257,399
2027	3.0%	€99,420	€99,421	€132,560	€132,561	€165,700	€165,701	€198,840	€198,841	€231,980	€231,981	€265,119	€265,121
2028	3.0%	€102,402	€102,404	€136,537	€136,538	€170,671	€170,672	€204,805	€204,806	€238,939	€238,940	€273,073	€273,074
% in Each Band		22.0%	22.0%		18.0%		13.0%		11.0%		7.0%		7%

Notes

1. Property Price Register (PPR) - National excluding Dublin - all residential properties
2. House Price Inflation 2020 CSO, Department of Finance 2021 Budget (Autumn 2020), ECB Target
3. Percentage in each band as per 2019 PPR

### 3.3 Income Distribution

The Household Budget Survey gives data on household incomes. The CSO also publishes a report every three years entitled *County Incomes and Regional Gross Domestic Product (GDP)*. The latest version was published in March 2018. It contains estimated data on the primary total income, disposable income of households by region and county in 2016. In the context of this Strategy, it is necessary to establish the average disposable income for 2022-2028. Average incomes in Leitrim were 89% of the remainder of the State. Table 22 details the derived income distribution for Leitrim using the published data.

**Table 22: Estimate of Distribution of Household Disposable Incomes for Leitrim in 2016**

Decile	Deflator / Inflator	Weekly <	Monthly <	Annually <	% Households in Category	Number of Households in Category
1st decile	0.89	€174.54	€698.18	€9,076.32	9.93%	1,236
2nd decile	0.89	€286.58	€1,146.34	€14,902.41	10.50%	1,307
3rd decile	0.89	€410.76	€1,643.04	€21,359.57	10.44%	1,300
4th decile	0.89	€523.47	€2,093.86	€27,220.20	10.45%	1,302
5th decile	0.89	€641.32	€2,565.27	€33,348.47	10.22%	1,273
6th decile	0.89	€764.71	€3,058.85	€39,765.09	9.93%	1,236
7th decile	0.89	€907.43	€3,629.72	€47,186.36	9.64%	1,200
8th decile	0.89	€1,074.52	€4,298.06	€55,874.82	9.65%	1,202
9th decile	0.89	€1,302.80	€5,211.18	€67,745.34	9.64%	1,200
10th decile	0.89	€1,970.20	€7,880.80	€102,450.38	9.61%	1,196
Total					100%	12,452

Source: CSO, Leitrim County Council

The household disposable income distribution needs to be calculated over the period of the Strategy. The growth in household disposable income is based upon the assumptions in section 2.6 above.

**Table 23: Annual Household Disposable Income 2022-2028**

	2022	2023	2024	2025	2026	2027	2028
% growth	4.6%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
1st decile	€11,939	€12,309	€12,691	€13,084	€13,490	€13,908	€14,339
2nd decile	€19,603	€20,211	€20,837	€21,483	€22,149	€22,836	€23,544
3rd decile	€28,097	€28,968	€29,866	€30,792	€31,747	€32,731	€33,745
4th decile	€35,806	€36,916	€38,061	€39,241	€40,457	€41,711	€43,004
5th decile	€43,868	€45,228	€46,630	€48,075	€49,566	€51,102	€52,686
6th decile	€52,308	€53,930	€55,602	€57,325	€59,102	€60,935	€62,824
7th decile	€62,071	€63,995	€65,979	€68,024	€70,133	€72,307	€74,548
8th decile	€73,500	€75,778	€78,127	€80,549	€83,046	€85,621	€88,275
9th decile	€89,115	€91,877	€94,725	€97,662	€100,689	€103,811	€107,029
10th decile	€134,767	€138,945	€143,252	€147,693	€152,271	€156,991	€161,858

Source: Central Bank/Department of Finance / CDP Core Strategy

Table 24 indicates the projected additional households per annum in each income decile. The total number of additional households projected for County Leitrim for each year covered by the Housing Strategy is calculated in Table 14 above.

**Table 24: Households Required in Each Decile for 2022-2028**

Decile	%	2022	2023	2024	2025	2026	2027	2028
1st decile	9.9%	3	18	20	21	20	20	21
2nd decile	10.5%	3	19	21	22	21	22	22
3rd decile	10.4%	3	19	21	22	21	22	22
4th decile	10.5%	3	19	21	22	21	22	22
5th decile	10.2%	3	18	21	21	20	21	21
6th decile	9.9%	3	18	20	21	20	20	21
7th decile	9.6%	3	17	19	20	19	20	20
8th decile	9.7%	3	17	19	20	19	20	20
9th decile	9.6%	3	17	19	20	19	20	20
10th decile	9.6%	3	17	19	20	19	20	20
	100%	30	181	202	209	200	206	210

Source: CSO Household Budget Survey, CDP Core Strategy

### 3.4 Mortgage Capacity

The Central Bank has two types of limits. The **Loan to Value (LTV)** limit requires a minimum deposit before obtaining a mortgage and are restricted by category.

- First-time-buyers need to have a minimum deposit of 10%
- Second and subsequent buyers need to have a minimum deposit of 20%
- Buy-to-let buyers need to have a minimum deposit of 30%.

The limit that **LTV** is therefore **0.9**.

The **Loan to Income (LTI)** limit restricts the amount of money you can borrow to a maximum of **3.5** times gross income.

Utilising the LTV and LTI variables This approach therefore establishes whether households in County Leitrim could qualify for a mortgage that would enable them to purchase a house in the lowest price band under these rules. Table 25 indicates the maximum mortgage capacity of those living in County Leitrim.

**Table 25: Mortgage Capacity of Households over the Period of the Plan**

	2022	2023	2024	2025	2026	2027	2028
1st decile	€41,788	€43,083	€44,419	€45,796	€47,215	€48,679	€50,188
2nd decile	€68,611	€70,738	€72,931	€75,192	€77,523	€79,926	€82,404
3rd decile	€98,340	€101,388	€104,531	€107,772	€111,113	€114,557	€118,109
4th decile	€125,322	€129,207	€133,213	€137,342	€141,600	€145,990	€150,515
5th decile	€153,537	€158,297	€163,204	€168,263	€173,479	€178,857	€184,402
6th decile	€183,079	€188,755	€194,606	€200,639	€206,859	€213,271	€219,883
7th decile	€217,247	€223,982	€230,925	€238,084	€245,464	€253,074	€260,919
8th decile	€257,249	€265,224	€273,445	€281,922	€290,662	€299,672	€308,962
9th decile	€311,901	€321,570	€331,538	€341,816	€352,412	€363,337	€374,601
10th decile	€471,684	€486,306	€501,381	€516,924	€532,949	€549,470	€566,504

Table 26 then assesses whether households have adequate gross income to satisfy the Central Bank rules in relation to mortgages. It indicates that those in the first decile do not have adequate income to secure a mortgage and need to be considered for private and social rental. The remainder deciles qualify for mortgages.

**Table 26: Number of Households Qualifying for Mortgage 2022-2028**

Year	Decile	No. Additional Households	Upper Value of Cheapest House Price (€)	Minimum LTV (90% of Cheapest House Price)	Maximum LTI	Mortgage Qualification	No. of Additional Households that Qualify for a Mortgage	No. of Additional Households that do not Qualify for a Mortgage
2022	1st decile	3	€82,509	€74,258	€41,788	FAIL	0	3
	2nd decile	3			€68,611	FAIL	0	3
	3rd decile	3			€98,340	PASS	3	0
	4th decile	3			€125,322	PASS	3	0
	5th decile	3			€153,537	PASS	3	0
	6th decile	3			€183,079	PASS	3	0
	7th decile	3			€217,247	PASS	3	0
	8th decile	3			€257,249	PASS	3	0
	9th decile	3			€311,901	PASS	3	0
	10th decile	3			€471,684	PASS	3	0
	Total	30						
2023	1st decile	18	€85,810	€77,229	€43,083	FAIL	0	18
	2nd decile	19			€70,738	FAIL	0	19
	3rd decile	19			€101,388	PASS	19	0
	4th decile	19			€129,207	PASS	19	0
	5th decile	18			€158,297	PASS	18	0
	6th decile	18			€188,755	PASS	18	0
	7th decile	17			€223,982	PASS	17	0
	8th decile	17			€265,224	PASS	17	0
	9th decile	17			€321,570	PASS	17	0
	10th decile	17			€486,306	PASS	17	0
	Total	181						



Year	Decile	No. Additional Households	Upper Value of Cheapest House Price (€)	Minimum LTV (90% of Cheapest House Price)	Maximum LTI	Mortgage Qualification	No. of Additional Households that Qualify for a Mortgage	No. of Additional Households that do not Qualify for a Mortgage
2024	1st decile	20	€89,242	€80,318	€44,419	FAIL	0	20
	2nd decile	21			€72,931	FAIL	0	21
	3rd decile	21			€104,531	PASS	21	0
	4th decile	21			€133,213	PASS	21	0
	5th decile	21			€163,204	PASS	21	0
	6th decile	20			€194,606	PASS	20	0
	7th decile	19			€230,925	PASS	19	0
	8th decile	19			€273,445	PASS	19	0
	9th decile	19			€331,538	PASS	19	0
	10th decile	19			€501,381	PASS	19	0
	Total	202						
2025	1st decile	21	€92,812	€83,530	€45,796	FAIL	0	21
	2nd decile	22			€75,192	FAIL	0	22
	3rd decile	22			€107,772	PASS	22	0
	4th decile	22			€137,342	PASS	22	0
	5th decile	21			€168,263	PASS	21	0
	6th decile	21			€200,639	PASS	21	0
	7th decile	20			€238,084	PASS	20	0
	8th decile	20			€281,922	PASS	20	0
	9th decile	20			€341,816	PASS	20	0
	10th decile	20			€516,924	PASS	20	0
	Total	209						
2026	1st decile	20	€96,524	€86,872	€47,215	FAIL	0	20
	2nd decile	21			€77,523	FAIL	0	21

Year	Decile	No. Additional Households	Upper Value of Cheapest House Price (€)	Minimum LTV (90% of Cheapest House Price)	Maximum LTI	Mortgage Qualification	No. of Additional Households that Qualify for a Mortgage	No. of Additional Households that do not Qualify for a Mortgage
	3rd decile	21			€111,113	PASS	21	0
	4th decile	21			€141,600	PASS	21	0
	5th decile	20			€173,479	PASS	20	0
	6th decile	20			€206,859	PASS	20	0
	7th decile	19			€245,464	PASS	19	0
	8th decile	19			€290,662	PASS	19	0
	9th decile	19			€352,412	PASS	19	0
	10th decile	19			€532,949	PASS	19	0
	Total	200						
2027	1st decile	20	€99,420	€89,478	€48,679	FAIL	0	20
	2nd decile	22			€79,926	FAIL	0	22
	3rd decile	22			€114,557	PASS	22	0
	4th decile	22			€145,990	PASS	22	0
	5th decile	21			€178,857	PASS	21	0
	6th decile	20			€213,271	PASS	20	0
	7th decile	20			€253,074	PASS	20	0
	8th decile	20			€299,672	PASS	20	0
	9th decile	20			€363,337	PASS	20	0
	10th decile	20			€549,470	PASS	20	0
	Total	206						
2028	1st decile	21	€102,402	€92,162	€50,188	FAIL	0	21
	2nd decile	22			€82,404	FAIL	0	22
	3rd decile	22			€118,109	PASS	22	0
	4th decile	22			€150,515	PASS	22	0

Year	Decile	No. Additional Households	Upper Value of Cheapest House Price (€)	Minimum LTV (90% of Cheapest House Price)	Maximum LTI	Mortgage Qualification	No. of Additional Households that Qualify for a Mortgage	No. of Additional Households that do not Qualify for a Mortgage
	5th decile	21			€184,402	PASS	21	0
	6th decile	21			€219,883	PASS	21	0
	7th decile	20			€260,919	PASS	20	0
	8th decile	20			€308,962	PASS	20	0
	9th decile	20			€374,601	PASS	20	0
	10th decile	20			€566,504	PASS	20	0
	<b>Total</b>	<b>210</b>						

### 3.5 Affordable House Prices

The level at which interest rates are set is a fundamental factor for forecasting activity on the housing market. The Central Bank indicates that over half of the transactions are carried out by cash buyers.

The uncertainty surrounding the outcomes of Brexit is problematic when forecasting European financial stability and therefore interest rates. The European Central Bank has kept interest rates relatively low to allow for the recovery of the Euro zone. It is understood that interest rates will remain at their present level or lower until at least 2022.

Interest rates for mortgages are currently averaging 3.0% (Central Bank, 2020). It can be expected that these rates will remain at this level for at the next two years. The Central Bank analysis suggests that interest rates will remain at this level in the medium term. The Strategy therefore assumes an interest rate of **3.0%**.

The mortgage repayments were calculated using a loan to value ratio of **0.9** for a **25-year** repayment period. A maximum of **35%** of household income on mortgage costs is applied in accordance with the annuity formula specified in the Step-by-Step Guide.

**Table 27: Approximate Affordable House Prices per Decile**

	2022	2023	2024	2025	2026	2027	2028
1st decile	€57,350	€59,128	€60,961	€62,850	€64,799	€66,807	€68,878
2nd decile	€94,163	€97,082	€100,091	€103,194	€106,393	€109,691	€113,092
3rd decile	€134,963	€139,147	€143,460	€147,908	€152,493	€157,220	€162,094
4th decile	€171,994	€177,326	€182,823	€188,490	€194,334	€200,358	€206,569
5th decile	€210,716	€217,248	€223,983	€230,926	€238,085	€245,466	€253,075
6th decile	€251,260	€259,049	€267,080	€275,359	€283,896	€292,696	€301,770
7th decile	€298,152	€307,395	€316,924	€326,749	€336,878	€347,321	€358,088
8th decile	€353,051	€363,996	€375,280	€386,914	€398,908	€411,274	€424,024
9th decile	€428,057	€441,326	€455,008	€469,113	€483,655	€498,649	€514,107
10th decile	€647,344	€667,412	€688,102	€709,433	€731,425	€754,100	€777,477

### 3.6 Projected Need for Owner-Occupied Housing

Based upon inputs from Tables 26 and 27, it can be established whether there are likely to be sufficient houses to cater for needs in each decile. This assessment is provided in Table 28.

It can be seen that there is a surplus of units for all price bands.

**Table 28: Housing Surplus in Bands for Households Qualifying for Mortgage**

Year	Decile	No. Additional Households that Qualify for Mortgage	Running Total	Affordability by Decile (€)	Household Band Position	Upper Range (€)	No. of Households that Qualify for Mortgage able to Purchase at Upper Value	Housing Units Provided in Each Band	Housing Surplus or deficit per Price Band
2022	1st decile	3	3	€57,350	1st Band	€82,509	5	7	1
	2nd decile	3	6	€94,163	2nd Band	€110,012	2	7	4
	3rd decile	3	9	€134,963	3rd Band	€137,515	2	5	3
	4th decile	3	12	€171,994	4th & 5th Band	€192,521	4	7	3
	5th decile	3	15	€210,716	6th Band	€220,024	7	2	-5
	6th decile	3	18	€251,260	7th Band	None		2	
	7th decile	3	21	€298,152					
	8th decile	3	24	€353,051					
	9th decile	3	27	€428,057					
	10th decile	3	30	€647,344					
	Total	30						30	6
2023	1st decile	18	18	€59,128	1st Band	€85,810	33	40	7
	2nd decile	19	37	€97,082	2nd Band	€114,413	13	40	27
	3rd decile	19	56	€139,147	3rd Band	€143,016	14	33	18
	4th decile	19	75	€177,326	4th & 5th Band	€200,222	26	43	18
	5th decile	18	93	€217,248	6th Band	€228,825	45	13	-32
	6th decile	18	111	€259,049	7th Band	None		13	
	7th decile	17	129	€307,395					
	8th decile	17	146	€363,996					
	9th decile	17	163	€441,326					

Year	Decile	No. Additional Households that Qualify for Mortgage	Running Total	Affordability by Decile (€)	Household Band Position	Upper Range (€)	No. of Households that Qualify for Mortgage able to Purchase at Upper Value	Housing Units Provided in Each Band	Housing Surplus or deficit per Price Band
	10th decile	17	181	€667,412					
	Total	181						181	37
2024	1st decile	20	20	€60,961	1st Band	€89,242	37	44	8
	2nd decile	21	41	€100,091	2nd Band	€118,989	15	44	29
	3rd decile	21	62	€143,460	3rd Band	€148,737	16	36	20
	4th decile	21	83	€182,823	4th & 5th Band	€208,231	29	48	20
	5th decile	21	104	€223,983	6th Band	€237,978	51	14	-36
	6th decile	20	124	€267,080	7th Band	None		14	
	7th decile	19	143	€316,924					
	8th decile	19	163	€375,280					
	9th decile	19	182	€455,008					
	10th decile	19	202	€688,102					
	Total	202						202	40
2025	1st decile	21	21	€62,850	1st Band	€92,812	38	46	8
	2nd decile	22	43	€103,194	2nd Band	€123,749	16	46	30
	3rd decile	22	64	€147,908	3rd Band	€154,686	17	38	21
	4th decile	22	86	€188,490	4th & 5th Band	€216,560	30	50	20
	5th decile	21	108	€230,926	6th Band	€247,498	53	15	-38
	6th decile	21	128	€275,359					
	7th decile	20	148	€326,749					

Year	Decile	No. Additional Households that Qualify for Mortgage	Running Total	Affordability by Decile (€)	Household Band Position	Upper Range (€)	No. of Households that Qualify for Mortgage able to Purchase at Upper Value	Housing Units Provided in Each Band	Housing Surplus or deficit per Price Band
	8th decile	20	168	€386,914	7th Band	None		15	
	9th decile	20	189	€469,113					
	10th decile	20	209	€709,433					
	Total	209							
2026	1st decile	20	20	€64,799	1st Band	€96,524	37	44	7
	2nd decile	21	41	€106,393	2nd Band	€128,699	15	44	29
	3rd decile	21	62	€152,493	3rd Band	€160,873	16	36	20
	4th decile	21	83	€194,334	4th & 5th Band	€225,223	29	48	19
	5th decile	20	103	€238,085	6th Band	€257,398	51	14	-37
	6th decile	20	123	€283,896	7th Band	None		14	
	7th decile	19	143	€336,878					
	8th decile	19	162	€398,908					
	9th decile	19	181	€483,655					
	10th decile	19	200	€731,425					
	Total	200						200	38
2027	1st decile	20	20	€66,807	1st Band	€99,420	38	45	7
	2nd decile	22	42	€109,691	2nd Band	€132,560	15	45	30
	3rd decile	22	64	€157,220	3rd Band	€165,700	17	37	20
	4th decile	22	85	€200,358	4th & 5th Band	€231,980	30	50	20
	5th decile	21	106	€245,466	6th Band	€265,119	53	14	-38

Year	Decile	No. Additional Households that Qualify for Mortgage	Running Total	Affordability by Decile (€)	Household Band Position	Upper Range (€)	No. of Households that Qualify for Mortgage able to Purchase at Upper Value	Housing Units Provided in Each Band	Housing Surplus or deficit per Price Band
	6th decile	20	127	€292,696	7th Band	None		14	
	7th decile	20	147	€347,321					
	8th decile	20	167	€411,274					
	9th decile	20	186	€498,649					
	10th decile	20	206	€754,100					
	Total	206							
2028	1st decile	21	21	€68,878	1st Band	€102,402	39	46	7
	2nd decile	22	43	€113,092	2nd Band	€136,537	16	46	30
	3rd decile	22	65	€162,094	3rd Band	€170,671	17	38	21
	4th decile	22	87	€206,569	4th & 5th Band	€238,939	31	50	20
	5th decile	21	108	€253,075	6th Band	€273,073	53	15	-39
	6th decile	21	129	€301,770	7th Band	None		15	
	7th decile	20	149	€358,088					
	8th decile	20	170	€424,024					
	9th decile	20	190	€514,107					
	10th decile	20	210	€777,477					
	Total	210						210	40



### 3.7 Projected Need for Private Rental

There is a category of households who do not qualify for mortgage but can nonetheless afford private rental. Those who cannot afford either a mortgage or private rental are then brought forward for assessment of social housing needs.

Table 19 above indicates the historic average rents per unit size up until 2020. These rents are increased to the 2022 using the growth rates for property prices generally, using the same assumptions as detailed in Table 21. It is projected that rents will increase by 4% annually up to 2026, decreasing to 3% for 2027 and 2028. Table 29 indicates the projected rental prices over the period of the Plan.

**Table 29: Projected Rental Prices 2022-2028**

Year	1 Bed	2 Bed	3 Bed	4 Bed +
2022	€469	€575	€601	€656
2023	€488	€598	€625	€682
2024	€507	€622	€650	€709
2025	€528	€647	€676	€737
2026	€549	€673	€703	€767
2027	€565	€693	€724	€790
2028	€582	€714	€746	€814

The definitions within the Act indicate that affordability relates to 35% of household income. Monthly household disposable income is derived from Table 23. The affordability of rental properties is derived having regard to the criteria outline above. The number of households that cannot afford a mortgage but can afford private rental are detailed in Table 30.

**Table 30: Additional Households that do not Qualify for a Mortgage but can afford Private Rental**

	1 Bed	2 Bed	3 Bed	4 Bed +	Total
2022	1	0	0	0	1
2023	3	0	0	0	3
2024	3	0	0	0	3
2025	3	0	0	0	3
2026	3	0	0	0	3
2027	3	1	0	0	4
2028	3	1	0	0	4

It can be seen that there is a limited number of households falling into this category, with only between 3 and 4 households falling into this category over the period of the Plan. It should be noted that there are those who may be able to afford a mortgage but choose to rent for personal or other reasons.

### 3.8 Projected Need for Social Housing

Section 93 of the Act requires the assessment of the social housing requirement. The households that do not qualify for a mortgage and who cannot afford private rental accommodation are those in need of social housing. Table 31 below summarises the requirement for the period of the Plan which runs from Q3 2022 to Q2 2028.

**Table 31: Social Housing Requirement**

	2022	2023	2024	2025	2026	2027	2028	Total Plan House-holds
New Household Formations	30	181	202	209	200	206	210	1,208
Number of Additional Households Qualifying for a Mortgage	24	144	160	166	159	164	167	961
Number of Additional Households not qualifying for Mortgage and can afford Private Rental	1	3	3	3	3	4	4	20
Number of Additional Households not qualifying for Mortgage and can't afford Private Rental	7	34	38	40	38	38	39	227
Social Housing Percentage	22.6%	18.8%	18.9%	19.0%	18.9%	18.5%	18.5%	18.8%

The social housing requirement over the period of the plan is between 18.5% and 19.0% of additional households formed.

The estimated breakdown of social housing requirement by unit size is as detailed in Table 32. It is based upon the current housing waiting list requirements.

**Table 32: Social Housing Unit Size**

Unit Size	% Requirement
<b>1 Bedroom</b>	103 (54%)
<b>2 Bedroom</b>	56 (29%)
<b>3 Bedroom</b>	25 (13%)
<b>4 + Bedroom</b>	6 (3%)

### 3.9 Rural and Urban Housing

The NPF indicates that as part of the HNDA, an assessment of rural housing requirements should be provided. Section 2.3.4 reviews the number of rural dwellings granted permission over the period 2015 to 2020. It indicates an average of 18 new dwelling units per annum was permitted. Having regard to the increased housing demands envisaged over the period of the plan, it is estimated that an average of **24 new rural housing units** and **6 replacement dwellings** would be required over the period of the Plan.

The balance of new households as detailed in Table 14 will be accommodated as **urban dwellings**.

### 3.10 Tenure

The NPF also indicates that consideration should be given to housing tenure requirements. The last three intercensal periods have been reviewed. There has been no material change in proportion in each of the tenure categories. As such it is projected that there will be no material change in tenure composition of the period of the Plan, with **73% being owner occupied, 14% private rental, 8% social rental, and 5% other**.

### 3.11 Household Composition

Household composition has been modelled for the period of the Plan, having regard to the assumptions in relation to reduced household size, as outlined in section 2.2.3 above. Table 33 shows that there is a gradual increase in the percentage of 1 and 2 person households, with a corresponding decline in larger 4 and 5+ person households.

**Table 33: Projected Household Composition**

	2022	2023	2024	2025	2026	2027	2028
1 person	30.7%	30.7%	30.8%	30.9%	30.9%	31.0%	31.0%
2 persons	29.1%	29.2%	29.3%	29.5%	29.6%	29.7%	29.8%
3 persons	15.1%	15.1%	15.1%	15.1%	15.1%	15.1%	15.1%
4 persons	13.5%	13.5%	13.4%	13.4%	13.4%	13.3%	13.3%
5+ persons	11.8%	11.6%	11.5%	11.1%	11.0%	11.0%	11.0%

